INFORMATION LETTER

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INTERPRETATION BY OPA OF THE TAFT AMENDMENT

Administrator Defers Formal Action On Use of Federal Standards For Pricing in MPR 306

On September 13, 1943, the Office of Price Administration issued a series of amendments to existing price regulations in order to demonstrate conformity with the Taft Amendment to the Emergency Price Control Act which was passed last July. (See INFORMATION LETTERS No. 942, July 10, 1943, p. 7751; No. 944, July 24, 1943, p. 7780; No. 945, August 7, 1943, p. 7796.)

Out of the total of 444 price regulations now in effect, the preambles to 250 were rewritten to indicate the basis on which the standards used for pricing had been established. Of this total, 161 were said to contain established trade standards, 27 to employ standards previously required by other government agencies or used in the affected trade, and five to embody standards previously required by government agencies other than OPA. In 57 regulations OPA decided to continue to use standards established by OPA on the ground that no practicable alternative exists for securing effective price control.

With respect to the seven canned fruits and vegetables which are priced in MPR 306 on the basis of AMA grades, the Administrator stated in his announcement that:

"Representatives of the canning industry have indicated that they believe that there are other practical alternatives for securing effective price control than the use of the standards contained in Maximum Price Regulation 306 covering canned fruits and vegetables. Although he has found that there is no practical alternative to the use of the standards set forth in the regulation, Price Administrator Brown stated that he desired to have a full discussion with the industry of the problems involved. He has accordingly requested Jean J. Carroll, Director of the Food Price Division of OPA, to arrange immediately for a meeting with canners at which they would be given the opportunity to present their views fully. The time and place of this meeting will be communicated to the canners. Pending the outcome of this meeting, formal amendment of the preamble of the regulation to include a finding under the Taft Amendment will be withheld."

The action of OPA in determining to continue to use its own standards as the basis for establishing prices on numerous commodities (and the continuance, while further discussions are being had, of flat pricing based on AMA grades), is based upon the basic interpretation of the Taft Amendment which OPA lawyers have evolved. It will be recalled that recently Congressman August H. Andresen, of Minnesota, stated that in the Taft Amendment Congress had "made it clear that the OPA, acting alone, was not to be authorized to standardize commodities and use such standards as the basis for price ceilings. If no standards existed in the industry, then some other government agency—such as the War Pro-

(Continued on page 7855)

MPR NO. 306 IS AMENDED

Provisions Affect Spinach, Catsup, Figs And Clarify Discounts and Allowance Payments

Amendment 16 to Maximum Price Regulation No. 306 was issued by the Office of Price Administration and became effective at midnight of September 17. The new amendment contains provisions that effect the pricing of spinach, catsup, Kadota figs, provides for labor cost adjustments in Idaho, and brings about a clarification with respect to the payments of discounts and allowances. Text of Amendment 16 follows:

Maximum Price Regulation No. 306 is amended in the following respects:

1. In Section 1341.583 (b) (2) (ii) the provision for figs in the table thereof is amended to read as follows:

Figs, Kadota	All States	$125.00 per ton.
Figs (except Kadota)	All States	1942 cost per ton as required to be computed under MPR 185 plus $15 per ton.

2. In Section 1351.584 (h) (7) the period at the end of the last sentence is changed to a comma and the following words are added:

For tomato catsup packed in all States except Ohio and Indiana, and by 6.9 for tomato catsup packed in Ohio and Indiana.

(Concluded on page 7858)

WFA PLAN TO CONTROL MARKETING OF APPLES

Announces Processing Support Prices On Which OPA Will Base Ceiling; To Control Shipments

Broad outlines of a program to govern the marketing of apples during the 1943-44 season were announced jointly September 15 by the War Food Administration and the Office of Price Administration.

The program, details of which will be announced within the immediate future, will involve limitation of the shipment of apples for fresh market use and price ceilings for fresh apples and apple products. The program is based on the need for processed apples to supply military and other war requirements and on the importance of maintaining prices to consumers at reasonable levels.

To prevent undue diversion to fresh outlets of apples needed for processing, shipments of low grades of apples from designated areas will be controlled by Food Distribution orders. The commercial apple crop is estimated to be 92 million bushels this year, or 28 per cent smaller than the 1942 harvest. In view of the short crop and the large demand for fresh fruit, controls are considered necessary to insure the meeting of essential requirements for apple products, the press announcement stated.

OPA will establish maximum prices for apple products based upon the following prices for apples for processing (delivered at the processing plant or the processor's usual assembly point):

	Class A varieties	Class B varieties
	Per hundred pounds	
U. S. No. 1 cannery grade, 2¼ inch and up (and "C" grade, as established under Washington and Oregon State grades)	$3.10	$2.50
U. S. No. 2 cannery grade, 2¼ inch and up	1.65	1.50
Ciders	1.00	1.00

The term "Class A Varieties" is used to designate the following varieties:

New York—Baldwin, R. I. Greening, Northern Spy, Twenty Ounce, Northwestern Greening, Grimes Golden, Stayman, King, Stark.

Pennsylvania, Maryland, West Virginia, and Virginia—York Imperial, Stayman, Golden Delicious, Grimes Golden.

Oregon and Washington—Golden Delicious, Winesap, Spitzenberg, Arkansas Black, Newtown, Rome Beauty, Stayman, Ortley, and Jonathan.

California—Gravenstein, Bellflower, Newtown.

All other States—Golden Delicious, Northern Spy, R. I. Greening, Grimes Golden and Stayman.

The designation "Class B Varieties" includes all other varieties of apples used for processing.

Consideration also is being given to setting maximum prices on fresh apples for processing at the prices listed above.

The OPA announced September 13 that it will establish price ceilings for fresh apples which will fix a national retail average of approximately 9 cents a pound.

WFA Releases Dried Raisins And Prunes for Civilians

West Coast packers have been authorized by the War Food Administration to release from 120,000 to 130,000 tons of dried raisins and prunes from their 1943 production for sale to civilians through the regular commercial trade channels. Additional quantities will be released later.

The released quantities will include from 55,000 to 60,000 tons of raisins and from 65,000 to 70,000 tons of prunes from the 1943 pack. These supplies will come from the raisins and prunes which packers are required to set-aside for government use under Food Distribution Order 16. The order requires that the entire 1943 pack of dried raisins, prunes, apples, apricots, peaches, pears, and currants be set-aside for government use but provides for the release of quantities of those dried fruits for civilian consumption.

In releasing the raisins for civilian use, the WFA said that packers will be permitted to sell until further notice 25 per cent of the 1943 natural or sun-dried Thompson Seedless, Seeded Muscat, and Sultana raisins delivered to their plants. Packers also are given permission to release and sell to civilians, through the normal trade channels, their total 1943 production of layer or cluster type raisins, provided the aggregate amount sold does not exceed the total quantity of these raisins which the packer released for sale to civilians in 1942.

Packers are permitted to release to civilians 35 per cent of their receipts of 1943 production of California-Three District dried prunes and 20 per cent of other dried prunes, subject to certain restrictions.

WFA TO CHANNEL CONCORD GRAPES INTO JAMS, JELLIES

Sales Restricted in Heavy Producing Areas and Processor Licensing System is Established

The War Food Administration on September 13, acted to restrict the sale of Concord-type grapes for fresh consumption in five heavy commercial producing regions to assure the availability of supplies of processed grapes for the manufacture of increased quantities of jams, jellies, and fruit butters. The restricted areas are designated counties in New York, Pennsylvania, Ohio, Michigan, and Washington.

At the same time, the WFA established a licensing system for processors of Concord-type grapes and users of processed Concord grapes in order to direct the use of such products into the most-needed channels.

These regulations, which become effective September 20, are contained in Food Distribution Order 80, and are a part of WFA's plan to increase civilian consumption of bread by providing ample supplies of bread spreads.

Producers in the designated areas are restricted from selling or delivering an aggregate of more than 100 pounds of Concord grapes for fresh consumption during each calendar year. Any amount above the 100-pound total must be sold to licensed processors for use in the manufacture of processed Concord grape products such as juice, frozen grapes, grape pulp, etc.

The order defines a "processor" as one who, in any calendar year, processes or has processed for his account more than 500 pounds of Concord type grapes and further requires that all such processors obtain a license from the Director of Food Distribution before buying or accepting delivery of any quantity of Concord grapes restricted by the order.

The order requires processors to set aside all supplies of processed Concord grapes owned by them on and after September 20, so that the Director of Food Distribution may allocate these products to meet essential military and civilian requirements. The set-aside provision applies to all processed Concord grapes, whether produced from grapes grown in the designated areas or not. The allocation provision will be used to divert a large part of the crop into the manufacture of jams, jellies and fruit butters. Stocks not needed to fill requirements for these bread spreads may be allocated to meet essential requirements for other products, such as unfermented grape juice.

"Users" must be licensed before they may obtain supplies of allocated processed Concord grapes. Under the order, a "user" is anyone engaged in preserving or otherwise using 500 pounds or more of processed Concord grapes in any calendar year. Commercial manufacturers of jams, jellies or fruit butters; bottlers of unfermented grape juice; and others using processed Concord grapes will be affected by these provisions.

The counties and the States to which the restrictions on the sale of fresh Concord grapes by producers apply are as follows:

New York—Cattaraugus, Chautauqua, Columbia, Dutchess, Erie, Livingston, Monroe, Niagara, Ontario, Orange, Orleans, Schuyler, Seneca, Steuben, Ulster, Wayne and Yates.

Pennsylvania—Erie.

Ohio—Ashtabula, Cuyahoga, Geauga, Lake, Lorain, Medina, Portage, and Summit.

Michigan—Allegan, Berrien, Cass, Kalamazoo, Kent, and Van Buren.

Washington—Benton, Franklin, Walla Walla, and Yakima.

Affected under the order are any and all strains of Concord-type grapes of the purple slip-skin varieties such as Concord, Cottage, Eaton, Ives, Hartford, Hicks, Rockwood and Worden.

All persons affected by the order are required to keep records of their transactions for at least two years. This provision applies to producers, processors and users.

Processors and users of processed Concord grapes making applications for licenses should write: Director, Food Distribution Administration, War Food Administration, Washington 25, D. C. Ref: FD Order 80.

Dehydration of Vegetables

Practical dehydration of vegetables is summarized in popular form in a new bulletin, "Commercial Dehydration of Vegetables and Fruits in Wartime," prepared by the Department of Agriculture. Findings of the Western Regional Research Laboratory at Albany, California, where research is still going on, have furnished much of the technical foundation for the expanding dehydration industry in the United States.

The new bulletin highlights some of the laboratory's findings. It sums up the hows and whys of dehydration for farmers, Victory gardeners and the general public, and answers such questions as: What kinds and varieties of vegetables are best suited to dehydration? How are the products handled

and dried in the dehydration plant? What are the requirements for packaging and storage? How are dehydrated foods prepared for table use? It also contains sections on the location of dehydration plants, types of driers, preparation of vegetables, drying time, and other things that should be helpful to commercial processors. A copy of the new bulletin, M. P. No. 524, may be had on request to the Division of Publications, USDA, Washington 25, D. C.

Use of Wood Containers for Table Grapes Is Regulated

New regulations for packing and shipping certain varieties of table grapes reserved for raisins have been issued by the War Production Board. They apply particularly to West Coast packers and shippers, it was pointed out.

Under an amendment to Limitation Order L-232, four varieties of table grapes, namely, Thompson, Muscat, Sultana and Zante Currant, which varieties previously have been reserved by the War Food Administration for raisins, are separated from other varieties of table grapes insofar as quota requirements are concerned, the Containers Division announced.

The shipping quota of each of these four varieties of grapes is limited to each particular variety, and in the event that the quantity of each variety is insufficient to fill the quota, no other variety of table grapes may be shipped as part of that quota in wooden shipping containers.

Another matter cleared up by this amendment was the general question of how the quota limitation works. The amendment provides that no person shall pack for shipment in wooden containers in any year, a greater amount than 110 per cent of all other varieties of table grapes and 50 per cent of juice grapes.

The shipper also is limited in his shipments in wooden containers to the same percentages, but there is a provision for the grower to change his shipper, provided the new shipper files a report within ten days with the WPB, giving the name and address of the former shipper and the amount of the commodity shipped in 1942. The quota of the old shipper will be reduced by this amount, and the quota of the new shipper increased by that amount.

Any person who does not pack for shipment or ship in any year one carload or 30,000 pounds of a commodity, whichever is the lesser, is exempted from the restrictions.

Processed Fruits Allotment Increased for Jams, Jellies

The amount of frozen and other processed fruits that may be used for the production of jams, jellies, preserves, and fruit butters has been increased by the Office of Price Administration.

This action, taken in cooperation with the War Food Administration, is part of an overall program to provide increased fruit spreads to supplement rationed creamery butter, in an effort to encourage the consumption of bread.

In order to increase his production of these foods, an industrial user may have his allotment of processed food increased to an amount not more than 120 per cent of the total amount he used for producing these foods for civilians during the whole of 1942. This in no way affects his allotment of processed fruits used to produce jams, jellies and similar products for the exempt agencies.

This increase represents an adjustment for a 12 months' period, and persons who receive an increase in their allotments under the order will receive no additional allotment for this purpose until September, 1944.

Applications for increased allotments are made to the Washington OPA office on Form R-315, and may be made any time after the applicant has received his regular allotment for the period beginning on September 1.

In addition to the information called for on the form, the following information concerning the production of fruit spreads must be supplied with the application:

1. The number of pounds of processed fruit (of each of the following classes: canned or bottled; frozen in containers of ten pounds or less; frozen in containers over ten pounds; and dried or dehydrated fruits) used for producing jams, jellies, preserves, and fruit butters during each of the 1942 base periods.

2. The number of pounds of the same classes, used during the same periods for fruit spreads transferred to the exempt agencies.

3. An itemized inventory of the applicant's processed foods as of the first day of the reporting period in which the application is made.

4. The number of points the applicant has not used as of the same day out of any certificate issued to him to make advanced purchases of frozen foods.

The order further provides that the entire amount of the increase must be used for making fruit spreads, and in addition the applicant must use at least that part of his regular allotment which is based on his previous use of processed fruits for this purpose.

Amendment No. 67 to Ration Order No. 13 becomes effective September 20.

Dry Bean Pricing Modified

Sales of specified classes of dry edible beans of the 1943 crop to the Food Distribution Administration, or to other country shippers, and to other governmental agencies designated in Food Distribution Order 45, can be made either at maximum prices established for this commodity or at support prices announced for specified classes of beans last April by the War Food Administration, the Office of Price Administration said September 14. This action was taken through Amendment 8 to MPR-270, effective September 13.

OPA Allows 1943 Dried Fruit Sales in Advance of Pricing

While new maximum prices are being set for the 1943 crop of dried fruits, the Office of Price Administration has authorized packers to sell and make delivery of that crop subject to prices to be established for such sales, the OPA announced September 17.

New maximum prices, now under consideration by the OPA, will reflect increases in the cost of production. However, until they are issued, packers and buyers may agree on prices which must conform with the new prices to be set.

Meanwhile Maximum Price Regulation No. 227 remains in effect, with the addition of Amendment 4 which contains the standard adjustable pricing provision. Authorization of delivery of this year's crop of dried fruits at adjusted prices is given in Order No. 1 to MPR 227.

Amendment 4 and Order No. 1 are effective September 21. Text of Amendment 4 to MPR 227 follows:

1. Section 1341.358a is added to read as follows:

§ 1341.358a *Adjustable pricing.* Any person may agree to sell at a price which can be increased up to the maximum price in effect at the time of delivery; but no person may, unless authorized by the Office of Price Administration, deliver or agree to deliver at prices to be adjusted upward in accordance with action taken by the Office of Price Administration after delivery. Such authorization may be given when a request for a change in the applicable maximum price is pending, but only if the authorization is necessary to promote distribution or production and if it will not interfere with the purposes of the Emergency Price Control Act of 1942, as amended. The authorization may be given by the Administrator or by any official of the Office of Price Administration having authority to act upon the pending request for a change in price or to give the authorization. The authorization will be given by order.

40-CENT MINIMUM WAGE

Labor Department Approves Industry Recommendation—Rate Becomes Effective October 18

The Department of Labor announced on September 14 the approval of an industry committee recommendation of a 40-cent minimum wage in the canning and allied industries. Under the Department's wage order the new minimum wage becomes effective on October 18. Text of the regulation follows:

§ 638.1 Approval of recommendation of Industry Committee No. 56.

The Committee's recommendation is hereby approved.

§ 638.2 Wage rates.

Wages at a rate of not less than 40 cents per hour shall be paid under section 6 of the Act by every employer to each of his employees in the canned fruits and vegetables and related products industry who is engaged in commerce or in the production of goods for commerce.

§ 638.3 Posting of notices.

Every employer employing any employees so engaged in commerce or in the production of goods for commerce in the canned fruit and vegetables and related products industry shall post and keep posted in a conspicuous place in each department of his establishment where such employees are working such notices of this order as shall be prescribed from time to time by the Wage and Hour Division of the United States Department of Labor.

§ 638.4 Definition of the canned fruits and vegetables and related products industry.

For the purpose of this order the term "canned fruits and vegetables and related products industry" means:

The canning and preserving of fruits and vegetables, and the manufacture of related products.

(a) It includes, but without limitation, the manufacture of jams, jellies and juices; soups of all kinds; relishes and sauces of all kinds; vinegar; cider, pectin; flavoring extracts and flavoring syrups; salad dressings; sandwich spreads (except those made principally from meat or cheese); peanut and nut butters; mustard and horseradish; mincemeat; honey; and canned spaghetti, chili con carne, stew, hash, and pudding, containing fruit or vegetables.

(b) The term "canning," as used herein, means sterilizing and hermetically sealing in containers of tin, glass, or other material.

(c) The term "preserving," as used herein, includes pickling, preserving, freezing, cold packing, drying, dehydrating, and similar processes.

Provided however, That this definition shall not include the manufacture of coffee; spices; malt extracts and syrups; salad and cooking oils including olive oil; potato chips; ready-to-mix desserts; or any products covered by the definitions of the grain products industry, the candy and related products manufacturing industry, or the sugar and related products industry, contained in the administrative orders appointing committees for those industries.

§ 638.5 Scope of the definition.

The definition of the canned fruits and vegetables and related products industry covers all occupations in the industry which are necessary to the production of the articles specified in the definition including clerical, maintenance, shipping, and selling occupations; *Provided, however,* That this definition does not cover clerical, maintenance, shipping and selling occupations when carried on in a wholesaling or selling department, physically segregated from the other departments of a manufacturing establishment, the greater part of the sales of articles which have been purchased for resale: *And provided further,* That where an employee covered by this definition is employed during the same workweek at two or more different minimum rates of pay, he shall be paid the highest of such rates for such workweek unless records concerning his employment are kept by his employer in accordance with applicable regulations of the Wage and Hour Division.

§ 638.6 Effective date.

This wage order shall become effective October 18, 1943.

Help in Obtaining Truck Parts

Truck owners and operators will receive increased help in finding needed repair parts during the coming months through the efforts of the Maintenance Specialists in the 142 district offices of the Office of Defense Transportation, ODT announces.

In addition to spreading the greatly expanded flow of new parts scheduled for production, the Maintenance Specialists have access to the lists of interchangeable parts used in many types of trucks and will undertake to locate needed parts through ODT Maintenance Specialists in other cities, through parts makers and through the cooperation of the War Production Board, as well as through the local channels afforded by the industry-wide membership of local District Maintenance Advisory Committees and subcommittees.

To prevent avoidable lay-up of trucks, operators unable to find needed parts are urged not to delay getting in touch with their local Maintenance Specialist at the nearest district office of the Office of Defense Transportation.

1944 Truck, Trailer Programs

The War Production Board has announced approval of initial truck and trailer programs for 1944 which will permit production of 22,859 medium and 10,993 heavy trucks, and 14,067 trailers. A majority of these trucks and trailers is scheduled to roll off the production lines in the first six months of 1944. At a later date, should the conditions with respect to the production of components warrant, according to the Automotive Division of WPB, programs for additional truck and trailer production will be authorized.

Recent Interpretation of "Area of Production" by the United States District Court for the Western District of Kentucky

The United States District Court for the Western District of Kentucky, in line with the decisions in the cases of *Fleming* v. *Farmers Peanut Co.* and that of *Holly Hill Fruit Products, Inc.* v. *Wilmar E. Edison* of the United States Circuit Court of Appeals for the Fifth Circuit, (see INFORMATION LETTER Nos. 887 and 943, pages 7054 and 7776) rejected, in its recent decision of June 15, 1943, the Administrator's definition of "area of production" contained in Section 536.2 of the Wage and Hour Regulations. As pointed out in LETTER No. 943, on page 7776, this term is referred to in Section 13(a)(10) of the Wage and Hour Law.

In denying an application of the Administrator for an injunction against further alleged violation of the Wage and Hour Law by a cooperative peach packer whose raw material was drawn from within the general vicinity, the Court held that the Administrator had exceeded the authority delegated to him by Congress in "restricting the exemption merely to those employers where the number of employees did not exceed ten, even though such employers were within the geographical limits established by the Administrator."

Labor Board Announces Rules For Conduct of Hearings

The National War Labor Board has announced its rules, under the War Labor Disputes Act, for the conduct of hearings before panels, the Board itself, or any of its authorized agencies. The rules set forth procedure for public hearings, and on requests of the parties to a case, for issuance of Board subpoenas.

The rules, drawn up by the Office of the General Counsel, specify require-

ments for the conduct of hearings under the War Labor Disputes Act. The National Board, in a resolution announced August 5, 1943, already had amended its procedure to provide that panel hearings on the merits of the dispute will be open hearings.

The subpoena procedure provides that parties to a dispute have the right to request issuance of a subpoena for the purpose of obtaining and presenting material and relevant evidence.

The rules added that industry commissions and panels which report directly to the National Board should make their recommendations on parties' requests for subpoenas to the Board's General Counsel, who will submit it to the Chairman.

The hearings may be conducted informally, the rules state. Parties to a dispute will be given "reasonable advance notice" of the time and place of the hearings. The notice of the hearing should contain a statement of the issues, in all cases where it is possible to do so.

WANTED AND FOR SALE

Machinery–Equipment

This column is open only to members of the Association who want to buy or sell canning machinery and equipment. Names of firms listing the items below will be furnished upon application to the Association. In requesting names, please identify items by number.

FOR SALE

281-S — New American Perforator Company perforating machine, Model No. 38; never been used. Has capacity of 14 papers, production at 250 to 350 per minute. Will date or code labels, etc., six figures.

282-S—Stainless steel flash pasteurizer especially adaptable for juices.

283-S — Waukesha sanitary 1-inch pump; one set Minneapolis-Honeywell controls.

284-S—300-gallon stainless steel vacuum tank.

285-S—York homogenizer, complete with motor and drive.

286-S—9-sink Anderson-Barngrover canning table with belt conveyor for fruit and filled cans. Cast iron enamelled sinks. Also a 6-sink similar table. Excellent condition.

ADDITION OF SPECIAL PACKAGING COSTS IS PERMITTED

OPA Lets Government Suppliers Figure Overhead as Well as Labor and Material Expenses

Suppliers to the Army and other procurement agencies who have packed to meet special agency specifications, are now permitted to add the overhead costs applicable to the packing operations, as well as the direct labor and material costs.

This was made possible in a revision by the Office of Price Administration of Supplementary Order No. 34 (Packing Expenses on Sales to Procurement Agencies) which became effective September 11.

OPA explained that the cost of special packing had increased because of changes in types of packing requested by the procurement agencies due to war needs. These changes necessitate the use of machinery, either newly designed or specially purchased, in contrast to hand labor previously used in special packing, and have added greatly to indirect costs of factory overhead. Text of the governing sections of SO 34 follows:

Section 1. Additions of extra packing expenses.

On sales or deliveries of any commodity to a procurement agency of the United States, the seller, or any sub-contractor under the seller's contract of sale with the United States, may add to the maximum domestic price for such commodity:

(a) If the packing specified by the buyer differs from standard packing, the difference between the total cost of packing to the specifications of the buyer and the total cost of standard packing, or

(b) If the commodity has already been packed in standard packing and if repacking to the specifications of the buyer is required, the total cost incurred in the unpacking and repacking, less the reasonable value of salvaged materials, or

(c) If the commodity has initially been packed to the specifications of the buyer in accordance with paragraph (a), and if repacking to new specifications of the buyer is required, the amount permitted by paragraph (a) plus the total cost of unpacking and repacking, less the reasonable value of salvaged materials.

"Total costs" include the direct materials costs, direct labor costs, factory overhead and other expenses actually incurred in performing the above-described operations.

Section 2. Conditions on which extra packing expenses are allowed.

The additions for extra packing expenses provided in section 1 may be made only if all of the following conditions are satisfied:

(a) The buyer must require that the commodity be packed to its specifications or must specifically request that the seller unpack and repack the commodity to the buyer's specifications.

(b) The seller must show separately in his contract of sale or on the invoice furnished to the buyer the net charge being made for the packing and/or unpacking and repacking specified by the buyer.

(c) In addition to the records required by any price regulation, the seller must prepare and keep for inspection by the Office of Price Administration so long as the Emergency Price Control Act of 1942, as amended, is in effect, true and accurate records showing the total additional cost necessitated by the special packing and/or unpacking and repacking specified by the buyer, and the value of materials salvaged in the process.

Section 3. Relation to other regulations.

This Revised Supplementary Order No. 34 shall apply to all price regulations heretofore or hereafter issued except Revised Maximum Price Regulations Nos. 148 (Dressed Hogs and Wholesale Pork Cuts), 169 (Beef and Veal Carcasses and Wholesale Cuts), 239 (Lamb and Mutton Carcasses and Cuts at Wholesale ,and Retail), and Maximum Price Regulations Nos. 286 (Certain Sausage Products for War Procurement Agencies) and 398 (Variety Meats and Edible By-Products at Wholesale), and such others as may hereafter expressly provide that this order does not apply to them.

Section 4. Definitions.

As used in this Revised Supplementary Order No. 34:

(a) "Price regulation" means a price schedule effective in accordance with the provisions of section 206 of the Emergency Price Control Act of 1942, as amended, a maximum price regulation, a temporary maximum price regulation, or any amendment or supplement thereto or order thereunder.

(b) "Packing" shall include the providing of wrappings, inner containers, or outer containers, the placing of commodities in such wrappings or containers, and the application of any special coverings or coatings to insure shipment without damage.

(c) "Standard packing" means that packing, the cost of which was included in calculating the maximum domestic price established by the applicable maximum domestic price regulation, or any other type of packing expressly referred to and expressly priced in the applicable domestic price regulation.

This Revised Supplementary Order No. 34 shall become effective September 11, 1943.

ALLOCATION OF FISH SUPPLY TO JUNE 30 IS ANNOUNCED

Civilians to Receive 7.9 Pounds per Capita—About 1.3 Pounds Less than Last Year

The War Food Administration has announced that approximately 65 per cent of the overall food fish supply will be available to civilians during the 12-month period ending June 30, 1944. This will provide a per capita quantity of 7.9 pounds, or approximately 1.3 pounds less than last year.

Allocation of food fish for the fiscal year have been made on the basis of an expected supply of 1,531 million pounds (edible weight basis) compared with a supply of 1,691 million pounds in 1942, and an average of 1,507 million pounds during the five pre-war years, 1935-39.

It is estimated that six billion pounds of fish and shellfish (round weight basis) would be needed to meet all requirements—for food, feed and other uses—but it is expected that the catch will approximate only 3.8 billion pounds. Of this total, about 2.6 billion pounds (1,418 million pounds on an edible weight basis) will be available for food. Imports will be about 113 million pounds on an edible weight basis, making a grand total of 1,531 million pounds.

While 83 per cent of the fresh, salted and cured supplies will be available to civilians, it was necessary to allocate more than 50 per cent of the canned varieties for direct war purposes.

The allocable supply of fresh fish this fiscal year is estimated at about 660 million pounds (edible weight) compared with 702 million pounds last year and 678 million pounds for the 5-year pre-war average. Of the anticipated total, 562 million pounds will be available to civilians compared with a 637-million-pound civilian supply last year. Military and war services are allocated the remainder.

The expected supply of salted and cured fish totals 147 million pounds (reported weight basis), of which 106 million pounds will be available to U. S. civilians. This compares with a 1942 civilian supply of 109 million pounds. Approximately 40 million pounds will be exported to U. S. territories.

The expected canned fish supply this year of 724 million pounds is about 14 per cent smaller than last year, largely because of a smaller than usual carry-over from the preceding season.

Since canned fish is regarded as among the important "fighting foods," the armed forces will get 103 million pounds—slightly more than last year. Nearly 340 million pounds are to be made available to U. S. civilians, and most of the remainder is allocated for shipment to U. S. territories and our Allies.

WFA officials said that the allocation figures are based on conservative estimates of the 1943 production.

Causes of the smaller supply of fresh fish are several. In the first place, Government purchases are somewhat larger because of the increased size of the armed forces. Also, the reserve supply in freezing establishments is less than three-fourths of the quantity held at this time last year—a condition brought about largely by the heavy withdrawals of frozen fish for use after an unusually short storage period. A third reason is the fact that in New England—chief source of such fresh fish staples as rosefish, haddock, cod, and whiting—landings of fish have declined sharply since last year, primarily due to the requisitioning of many large fishing vessels for military purposes. At the principal New England ports, the quantity of fish landed during the first half of 1943 was only about three-fourths of the landings during the same period last year when most of the boats were still in active fishing.

The table below shows the allocations for the year ending June 30, 1944, with civilian consumption figures for previous calendar years.

COMPARISON, ALLOCATIONS AND ALLOCABLE SUPPLIES OF SEAFOOD DURING 1943-44 FISCAL YEAR

	Canned	Fresh and Frozen[1]	Cured[2]
	Million pounds	*Million pounds*	*Million pounds*
Total allocable supplies...	723.5	660.0	147.2
Allocation, July 1, 1943 to June 30, 1944:			
Contingency reserve....	98.5	.....	.....
Military and war services.....	102.7	98.0	3.5
Liberated areas.....	15.0	.....	.....
Lend-lease.....	149.8	.....	.....
Other exports and shipments.....	19.6	.....	38.2
U. S. civilians.....	337.9	562.0	105.5
Apparent civilian consumption:			
1942.....	445.0	637.0	109.0
1935-39 average.....	639.0	672.0	141.0

[1] Edible weight. [2] Reported weight.

Apple Cider Shipment Eased

Apple cider has been added to the list of commodities which may move by tank car to points over 200 miles without an Office of Defense Transportation permit. This action was taken through Amendment 1 to Special Direction ODT 7, Rev. 1, effective September 15.

California Sardine Report

Estimated figures on tonnage of sardines delivered to California processing plants and cases of sardines packed during the current season to September 4, inclusive, as reported by the California Sardine Products Institute, are as follows:

TONNAGE:	Tons
San Francisco Bay.....	36,974
Monterey.....	41,398
Total.....	78,372
PACK:	
Can sizes:	Cases
1-lb. ovals.....	247,829
1-lb. talls.....	185,253
½-lb. fillets.....	8,860
¼-lb. round 96's.....	26,530
5-oz. 100's.....	4,765
Miscellaneous.....	9,324
Total.....	482,551

INDUSTRIAL USER RATIONS

May Advance Points for Manufacture Of Food for Armed Forces

Modification of regulations under which an industrial user obtains an advance of ration points for acquiring rationed foods to make products for the armed services and other designated governmental agencies has been announced by the Office of Price Administration.

The modification is contained in Amendment 4 to General Ration Order 11, which became effective September 16. Text of the Amendment follows:

General Ration Order 11 is amended in the following respects:

1. The first sentence of section 3.1 (a) is amended to read as follows:

An industrial user may obtain in advance the amount of rationed foods which he must use in manufacturing products to be acquired by a designated agency, if he has a contract or order for those products from:

(1) The designated agency, or

(2) A person who is not an industrial user and who has a contract with or an order from the designated agency for those products or for products which will include those products.

2. Section 3.2a is added to read as follows:

Sec. 3.2a Applicant must also obtain certification from person who has contract with designated agency. (a) If the last industrial user wishes to apply for an advance on the basis of a contract with or an order from a person described in section 3.1 (a) (2), he must first obtain from that person a certification as to the nature and amount of the last industrial user's products which that person will transfer to the designated agency. The certification must contain:

(1) The name and address of the person;

(2) The name and address of the designated agency with which that person has the contract or order;

(3) An identification of the contract or order;

(4) The nature and amount of the last industrial user's products which that person will transfer to the designated agency pursuant to the contract or order.

The last industrial user must keep the certification and the person making it must keep a copy for his records.

3. Section 3.3 (a) (4) is amended by inserting, between the word "order" and the semi-colon, the words ", or a statement that the applicant has a contract with or an order from a person described in section 3.1 (a) (2), and an identification of that person's contract with or order from the designated agency".

4. Section 3.4 (a) is amended by adding the following sentence:

If he used the rationed food in manufacturing products transferred to a person described in section 3.1 (a) (2) and that person does not transfer to the designated agency all the products for which the advance was obtained, the industrial user must account for the balance to the designated agency.

5. Section 4.1 (a) (1) is amended by inserting between the word "agency" and the word "for" the words "or a person described in section 3.1 (a) (2)".

6. Section 4.1 (a) (2) is amended by inserting between the word "applicant" and the semi-colon the words "or a person described in section 3.1 (a) (2)".

7. Section 5.8 (a) is amended by inserting between the word "agency" and the word "for" the words "or a person described in section 3.1 (a) (2)".

This amendment shall become effective September 16, 1943.

Dry Onion Shipments Frozen

All shipments of dry onions in excess of 100 pounds originating in the 12 principal onion-producing States have been placed under a permit system by joint action of the Office of Defense Transportation and the Interstate Commerce Commission.

The joint action took the form of an ODT order (General Order ODT L-1), which prohibits the movement of dry onions by common, contract, or private motor carriers, either interstate or intrastate, and an ICC service order (ICC service order No. 152), which places similar restrictions against onion movements by rail and by interstate common and contract motor carriers. Both orders will become effective September 13, 1943.

The ICC order applies to all common carriers by railroad and interstate common and contract carriers by motor truck and prohibits them from accepting for shipment any dry onions in quantities of more than 100 pounds, originating in the States of California, Colorado, Idaho, Indiana, Michigan, Minnesota, New York, Nevada, North Dakota, Oregon, Utah, or Washington, without a permit from the regional director of the War Food Administration, or any employee of the Department of Agriculture designated by the regional director.

The ODT order provides that no intrastate or interstate common or contract motor carrier may transport onions in these States unless the shipper presents a permit, and that no private motor carrier may transport onions until such carrier has obtained a permit.

Alaska Salmon Pack Report

The following figures on the Alaska salmon pack, prepared and reported by the Alaska Division of the U. S. Fish and Wildlife Service, present the detail of the pack by districts and species through August 28, 1943:

DISTRICT	Coho	Chum	Pink	King	Red	Total
	Cases	*Cases*	*Cases*	*Cases*	*Cases*	*Cases*
Bristol Bay*	167	37,073	.....	6,033	1,275,081	1,318,354
Alaska Peninsula:						
North side*	.....	3,680	54	56	39,330	43,120
South side*	6,665	70,624	167,101	1,936	177,096	423,422
Chignik	867	4,343	3,676	249	98,344	107,479
Kodiak	4,649	41,107	548,790	250	109,406	704,202
Cook Inlet*	23,546	26,254	58,903	31,311	102,864	242,878
Prince Wm. Sound	7,849	30,326	512,362	108	12,377	563,022
Copper River	116	.....	.....	4,890	56,790	61,796
Yakutat	726	.....	1,564	215	9,976	12,481
Icy Strait	3,147	63,985	60,881	124	11,397	139,534
Western	5,888	161,294	123,186	55	16,360	306,783
Eastern	5,398	107,489	87,759	799	7,192	208,637
Wrangell	11,791	70,426	100,747	54	11,500	194,518
South Prince of Wales Island	13,040	51,921	115,365	15	5,452	185,802
Southern	26,649	143,322	429,161	448	23,241	622,821
Total through August 28, 1943..	110,507	811,844	2,209,549	46,543	1,956,406	5,134,849

* Final.

FRESH SHRIMP PRICES SET

Ceilings in Accord with 1942 Averages And Effect Sharp Reduction

Maximum prices for fresh shrimp, expressed in dollars per barrel at the fisherman's level and cents per pound for all styles of dressing at all other levels except retail, were announced September 16 by the Office of Price Administration.

The action was taken through Amendment 8 to Maximum Price Regulation 418, effective September 21.

This step was taken to meet what OPA described as chaotic conditions in the markets, with prices running away to an extent that processors of shrimp, whose products must be sold under previously established ceilings, were unable to buy the seafood at all. The entire catch was being diverted, instead, to the fresh market.

The prices are in accord with the 1942 averages for shrimp and effect a considerable reduction from current quotations, according to the OPA press statement. The size classifications are historically consistent and in line with industry recommendations made at conferences held in OPA's national office.

Typical of prices established in Amendment 8 to MPR 418 are the following:

	Count per pound	Price per 210-lb. barrel
A. Fisherman prices (Heads on)	15–18	$20.00
		Cents per lb.
B. Primary wholesaler (Headless)	26–30	21½
C. Retailer owned wholesaler (Headless)	26–30	23½
D. Cash and carry wholesaler (Headless)	26–30	25½
E. Service and delivery wholesaler (Headless)	26–30	29½

* When 15–18 count shrimp is beheaded it will count 26–30 to the pound.

Puerto Rican Food List

Tomato sauce, fruit and tomato juices, have been placed on the commercial food list for Puerto Rico, thus making them available for purchase by private importers in the Island, Secretary of the Interior Harold L. Ickes has announced.

The Interior Department buys food for re-sale in Puerto Rico and the Virgin Islands from a $15,000,000 revolving fund appropriated by Congress with Food Distribution Administration and the Agriculture Department acting as purchasing agents.

Address by Fred A. Stare at National Food Conference Of Consumers and Producers, Chicago, September 16

PROBLEMS OF THE CANNER

There are possibly 3,000 canning establishments in the United States conserving fruits and vegetables. Basically they are small establishments set up to accommodate the crops of a small rural area.

Last year there were packed 158,000,000 cases of peas, corn, snap beans, tomatoes, and tomato juice of which the Government took about one-third; and this, together with other vegetables and fruits, made a total of perishable crops of about 300,000,000 cases packed in 1942.

Generally speaking, vegetables such as peas, corn, tomatoes, and snap beans are grown under contract from seed supplied by the cannery and planted under the supervision of trained fieldmen. The grower is not subjected to market fluctuations, and the canner is obligated to take the entire production at prices named in the contract. This is, however, not the case with tree fruits, for the orchards continue from year to year, and the price fluctuates widely according to the law of supply and demand.

Canning is a seasonal industry; its purpose is to provide a means whereby fruits and vegetables may be carried from season to season and transported from place to place without spoilage.

But what is often lost sight of is that in a seasonal industry of this sort, planning must precede the entire season's activities.

In the case of vegetables, and some fruits, acreage must be planted annually and be contracted well in advance of spring farming preparation; canning supplies must be bought well in advance if they are to be available at harvesting and canning time; arrangements for labor must be anticipated; and even in *these* days many canners with limited working capital, must make the necessary financial arrangements, in order to meet peak season payrolls which come before anything is sold.

Neither climate, weather, soil, growing conditions, time of harvesting, nor methods of processing are the same in all the regions of this country.

But since lately this fact has so often been forgotten by those who regulate our affairs, you will be interested in knowing that tomatoes are canned in 42 States, peas in 20 States, corn in 18 States, and snap beans in 44 States.

I know that you will indulge this report of the obvious, when I mention that under present OPA regulations 14 States, ranging from Maine through Pennsylvania and down to North Carolina, have been lumped into one pricing region for peas, and that Delaware and Nebraska and the Dakotas have been included along with 16 other States in a single pricing region in the case of tomatoes.

Nor need I dwell long on the essential part which canned foods play in the war effort. The substantial percentages of our packs which we have been asked to reserve and willingly provide for the armed services and for Lend-lease, evidence the direct military importance of canned foods.

And the absorption of the American housewife in calculating her blue points speaks the importance of canned foods for civilians in war time. As a canner I take pardonable pride in the achievement of the industry which in 1941 produced 25 per cent more, and in 1942, 50 per cent more than in 1940.

Production for the present year, as yet unknown, will not, I fear, reach the '42 level. And what has been produced has been to a very great extent, in spite of, rather than as the result of, efforts to regulate the activities of the industry.

For even though in 1942 there were regulations controlling the use of tin cans, the use of sugar, the reservation of food for the Army, and OPA price control, the industry was able to operate efficiently and without distraction.

For 1943, however, the story has been otherwise, and since I for one am hopeful that in a democratic society we must learn by experience, I should like to review very briefly with you what happened. I do so not in a spirit of destructive criticism, but in order that we may know what to avoid in 1944.

Governmental regulation of canning operations in 1943 has been characterized by a multiplicity and diffusion of authority, by lack of understanding and confusion (and confusion is always the enemy of achievement), by inexcusable delay in making basic decisions, and by continued uncertainty prolonged even to the present time, when much of the pack has been completed.

Realizing the task before us, the industry abandoned its annual convention in January, 1943, and arranged by governmental request a Processors' Conference in December, 1942, at which plans for 1943 could be made.

This was done because if we are to harvest and process a crop in June, plans should be made by January, if possible.

The industry was told that the many governmental agencies controlling its affairs would attend this December, 1942, conference and tell the industry what it was expected to do and state the rules under which it would have to operate.

I regret to report that when this conference was held, no plans were forthcoming, no statement of governmental expectation or policy was laid down, except that the limitations on the use of tin containers and the expected reservations for government use were announced, and even these have been substantially modified since.

No plans for vital labor supply were offered; no announcement of the prices to farmers was made; no ceiling prices were given, even though the OPA did announce that for 1943 it would, for reasons neither discussed with the industry nor ever explained, abandon the price formula system which had worked satisfactorily in 1942. No one could inform the canning industry as to whether canning crops would be on a higher level, or if higher, whether raw material costs would be reflected in the new price ceilings.

There was no word as to whether the canner would be authorized to pay higher wages, which would be necessary to get adequate labor to process the crops; it was not even possible at the time to know with certainty which agency would have the responsibility for this problem.

Lastly, even though these basic questions affecting the production of the crop and its processing were left up in the air, an entirely unnecessary controversy, unrelated to the war effort, was raised on the question of grade labeling of canned foods.

Nevertheless, the canning industry, scattered through forty States, was expected to go forward with contracting of the acreage, at some unknown price, and making its plans for the production of products, to be sold at prices which might or might not reflect these increased costs. Even in February, 1943, when a series of State canning meetings was held, the governmental agencies remained silent on our problems.

"The policies of the OPA so far as they relate to the canning industry and the distribution of its products were (evidently) formulated by persons whose indifference to the opinions of the leaders of the industry was equalled only by their ignorance of its problems."

This situation continued up to March, 1943. Neither agricultural raw material prices to the grower nor ceiling prices on the finished products were forthcoming.

The OPA said it could not price canned foods until Agriculture priced the crops to the grower; Agriculture could not make its announcement, it said, until it had obtained further information from State Boards.

Applications for wage increases were not acted upon because it could not be decided how such wage increases should be reflected in price.

On this point, I might mention that even though the canners have repeatedly been told that increased costs due to wage increases approved by the War Labor Board would be added to ceiling prices—and the 1943 packs were produced on this representation by the Government—the agreement has been

repudiated; these increases have not been allowed in ceiling prices, and even at this moment no arrangements have been made for reimbursement.

We were told to increase production, but we could not have additional machinery or equipment to do it with; we must get more acreage, but our farmers would have fewer tractors and less machinery, and their sons and their hired men were still being taken away from them by the draft boards. We were told there would be higher prices for our raw material, but they were unable to tell us what these prices would be; and we were told that price ceilings on '43 production could be no higher than in '42, and might even be lower.

Our warehouses were bulging with the 1942 production because we were not allowed to ship to our distributors with any freedom whatsoever, although their warehouses had plenty of space, and we were storing canned foods in empty garages and other outside buildings that could not be heated; but we were restricted in shipping to not over 35 per cent of the same tonnage we had shipped in the corresponding quarter one year previously.

In due course, Order M-237 was modified and we could ship in order to prevent loss of goods from freezing, but we could ship only to those distributors who were eligible to receive, and to be eligible to receive, their stock of merchandise could be only a certain per cent of what it had been one year previously; so in many instances goods still had to remain where they were.

The wages of our employees were frozen at the September, 1942, level, and it was not until June, 1943, after many canners already had been operating in some sections of the country, that a raise of ten cents per hour was allowed in a number of Midwestern States—a typical case of too little too late, because all of our small towns had been combed by the United States Employment Service and by seductive advertising from war industries having fat government contracts on a cost-plus basis, with wages much higher.

The situation became so desperate that in March, 1943, the industry appealed to Congress. The result was an undertaking by the Commodity Credit Corporation to absorb through a subsidy the increased cost of the four major vegetable canning crops. And after another month's delay, OPA began to issue its price ceilings which, however, did not reflect the increased labor costs which were from time to time, thereafter, allowed by the War Labor Board. Moreover, as I have already noted, this question is still wholly unsolved.

The canners disliked the subsidy idea, but reluctantly agreed to act as the agent of the Government in paying the grower; and thereupon the seed began going into the ground; but if it had not been for this last minute action, a great deal of production of food would have been absolutely prevented.

When the subsidy contracts were finally worked out, in spite of the fact that every pea canner in the United States had to pay an increase of $17.50 per ton for peas, the amount the canners will receive to pay the growers is far less than $17.50 per ton in some States, and exceeds it in others. For example, our plant at Lawrence, Kansas, will receive from the Commodity Credit Corporation less than one-half of the $17.50 per ton increase; the rest of it we have to absorb ourselves.

Pea canners in Indiana and many other States will receive, I believe, $12 of the $17.50, and will have to absorb the other $5.50. This absorption may mean the difference between a small profit or a loss, and there is only one turnover a year in the canning business as our production season is short, and we cannot retrieve losses from bad years unless we occasionally have a year better than average.

In a community like my own, of about 2,700 people, close to 400 are in the armed forces, and about 200 more drive back and forth to all-the-year-round war activities elsewhere, so we had known for weeks that we could not possibly operate our plants to capacity unless a lot of help was made available.

Months ago we requested that soldiers under their own officers with their own shelter and their own mess be provided because these small communities do not have the sleeping accommodations or the facilities for feeding large numbers of people from away; but the USES was positive that it could dig up the necessary people somewhere.

The Chicago office of the USES claimed to have 4,000 high school boys classified as to age, height, and weight, all undergoing exercises to toughen their hands so they would not get blisters from the hot cans, or from the pitchfork handles; but only a few weeks before the opening of the canning season we were told that these boys had all been absorbed by war industries right in Chicago and none would be available.

On June 23, when our plant at Columbus began operations, we had help enough to run only nine of the 28 viners or shelling machines; in other words, we could operate to about one-third of our capacity with the local help that was available, and be it said to the credit of the white-collar people, bankers, doctors, lawyers, school-teachers, housewives, merchants, and clerks of the community, they turned out as soon as their own activities for the day permitted and would work half way through the night, and we shall be eternally grateful for this assistance.

The commanding officer at Truax Field, Madison, Wisconsin, which is a radio school, gave permission for the soldiers on their day-off, which means that several hundred were available every day, to work during the emergency; but stipulated that they be paid from the time they left the gates until they were brought back at night, that two full meals, at noon and in the evening, be provided, and that they be paid at the end of each day.

During the pea pack we operated a bus service, and the soldiers would arrive about eight in the morning, were put into waiting cars and taken to the country or wherever needed, picked up and brought to town to be fed at noon and again in the evening.

They received 13 hours' pay for about seven hours work, plus transportation, plus two meals, or more than double the pay for the time actually worked, and it meant a new crew every day, a new set of blisters and backaches, because all of these boys were soft by their own admission.

We did get 50 soldiers from Camp McCoy, all of them limited service men, for whom we paid transportation, provided housing in the high school gymnasium under a promise from the Army that they would furnish cots and blankets, which came nearly a week after the soldiers arrived, and in the meantime we had to borrow cots, buy bed ticking, make up mattresses, buy blankets of our own.

As bad as it was under the restrictions imposed, it was still a lifesaver because we could not have operated our plant to anywhere near full capacity without it; and these boys were mostly willing workers.

We are approaching the time when planning for 1944 is essential. Once again the canning industry finds itself caught in a cross-fire between the probability of paying more for raw canning crops, paying more for labor and supplies, and at the same time the necessity for preventing higher prices and inflation.

As yet there seems to be little in the way of coordination of effort among the many agencies which have jurisdiction to regulate some part of the industry's activities.

The morale of the industry is at a distressingly low level—as one might expect of manufacturers who have in many cases sustained substantial losses because of conflicting governmental rules and as yet have been given no assurance of recovery.

Many canners feel that the canning industry has been singled out for discriminatory treatment even within the limits of announced policies. Let me give you two illustrations: When it was determined to subsidize the production of butter, a definite payment of 5 cents per pound was offered to each producer of butter for each pound of butter produced each month, and monthly payments were promptly made.

When the time came to consider how the canners' increased expenditures for labor were to be reimbursed, a long and confused directive was issued; instead of specific payments, a complicated formula seeking to measure prewar profits was suggested.

And even this formula, which would involve reports and accounting far

beyond the command of the average canner, is still being debated and discussed and considered in Washington.

Another illustration may be found in the attempt to impose upon a vital war industry which was called upon for increased production, a series of incomplete and unenforceable government grades which would have required most of the canners completely to change their methods of doing business.

In spite of the fact that the industry has been kicked around most unmercifully, we believe that official Washington has finally awakened to the fact that cooperation is a two-way proposition, and that if they expect a substantial food production next year, there will have to be less managing from Washington and more of a tendency to let the industry have some initiative.

I am not sure that it is more money that farmers want, as much as it is more farm machinery, more consideration from the draft boards for their sons and their hired men, absolute assurances—in fact, binding agreements—that the necessary extra help will be available when needed.

The canners must be sure, for no longer will they be able to put any confidence in the promise of government officials, as there has been such a string of broken promises that anything short of an iron-clad, airtight agreement will not suffice; that even if the canner is denied a profit, he at least is assured against a loss, and that the necessary help be available when needed, where needed, to supplement the local help, without red tape and for as long a period as needed, in field or in factory, in rain or in sunshine.

Despite all of this, I hope for the sake of the nation that canners do not become too pessimistic. There is some reason to believe that in several of the agencies in Washington there will be a change of policy. We have been told that plans will be formulated, not by lawyers and professors, but with the aid and counsel of those who have had at least some minimum experience in the industry.

In other words, if we are to perform in 1944, the shackles must be stricken from our feet, the handicaps and hurdles must be removed, the way must be made somewhat smoother instead of constantly rougher, or we cannot perform.

To deal with these future hopes in detail would be beyond my allotted time today. But as constructive suggestions in this direction, I offer the following objectives:

First, there should be an over-all food policy, dealing not only with the production of crops on the farm, but with their processing, allocation and distribution.

There must be either a single food agency or close coordination among the separate agencies. It does no good to provide an incentive price for farmers, or goals for canning, if the necessary labor is not available at harvesting time.

It does no good to establish prices for agricultural raw materials without offering to the canner, who must pay and process them, the reasonable hope of coming out without loss.

Second, there must be centralization of responsibility. Preferably, this authority should not be conferred on some individual whose time and energy are taken up with other and unrelated problems.

It seems to me that form is not important. I do not care whether the individual who is to be responsible is called a Food Czar, or a Food Administrator, or an Economic Director, provided he has both the authority, and the time and energy to spend on these vital problems.

Third, there should be a utilization to the greatest possible extent of existing industrial and trade facilities.

I should be the last to argue that as now constituted the canning and distributing industries are perfect. But if we are to do the job which must be done, we cannot operate under a series of new rules contrived by zealous reformers.

The load upon the production machine is so great that it cannot tolerate such hitch-hikers on the war effort.

This means, I think, that the fewer the rules the better; that the necessary few be written and administered by experienced business men, who patriotically must give their time to this government service; and that there be fundamental recognition of those principles which have been publicly voiced by high officials—that all of us are in this war together and that cooperation and respect and marshaling of individual effort and initiative is far preferable to suspicion and arrogant authority.

Fourth, these objectives must be achieved within a few months. I repeat, as I have throughout this talk, that decisions for 1944 packing cannot be made in the middle of 1944 but must be made in 1943.

Likewise, basic policies cannot be changed every month throughout the growing and harvesting season.

Fifth, some provision must be made for the orderly liquidation of the vast quantities of foods which are to be produced, in the event that the course of the war changes the military need.

This risk must be borne by the nation as a whole. To obtain the vast quantities which now appear to be needed, the canners of the country must plan and produce the maximum possible pack in 1944.

It is only common sense that the maximum need be our aim since in this field no second guesses are possible. But, by the same token, some definite assurances appear to be necessary that if the maximum production turns out not to be needed, the industry producing these products is not left holding the bag, as it was after World War I when a Republican Congress in 1919 forced the sale of all surplus commodities remaining from World War I to the public through Army stores at sacrifice prices that were most disastrous to the distributors and producers.

A large portion had been given to the French Government, but instead of using it for the purpose intended—of feeding the hungry—the Frenchmen finally shipped it back here and sold it at a handsome profit because of unusually favorable rate of exchange.

Under a program, such as I have outlined, both the Government and the canning industry—as well as the farmers who produce the canning crops—can do their job in 1944.

It will take work rather than words. For in that Book of Job to which canners have been tempted to turn this past year, there are two observations that might apply: "Great men are not always wise"; and many men, (even administrators,) "multiplieth words without knowledge." We in the canning industry ask only that there be fewer words and more knowledge so that we can get on with this war, the end of which we all fervently desire to see.

Creed of the Good Shipper

Shippers of freight who may not have realized the full importance of efficient use of transportation are being urged by the Office of Defense Transportation, Interstate Commerce Commission, National Association of Shippers Advisory Boards, and the Association of American Railways, to see that nothing is allowed to tie up or delay freight cars or locomotives unduly.

As an incentive towards getting the most out of every piece of railroad equipment during this wartime emergency, the Atlantic States Shippers Advisory Board has sponsored the following "Creed of the Good Shipper":

"I WILL:

"See that packages are marked properly and that the marks agree with the bill of lading.

"List proper number of packages on bill of lading.

"Remove old marks.

"Use substantial containers.

"Unload cars promptly.

"Clean cars after unloading.

"I WILL NOT:

"Delay cars.

"Delay trucks.

"Order cars before needed.

"Fail to report empty cars."

Bowles Makes Progress Report on the Reorganization of OPA To Conform to Requirements of Taft Amendment to Price Act

A progress report on the Office of Price Administration's reorganization program from July 26 to September 11, was issued September 13 by Chester Bowles, OPA's general manager. The report, outlining in broad terms the steps that have been taken in reorganization and the policies laid down for future operations both in Washington and in the field, was released to all OPA local board chairmen and to employees in the national, regional, and district OPA offices.

Mr. Bowles reviewed the personnel changes that were made to bring the agency into conformance with the June amendment to the Appropriations Act through which Congress directed that, effective August 16, no man who had not had business experience should control price-making policies.

Commenting on basic price policy of the agency, he stated, in the report, that "a new OPA program which is now in the final stages will decrease the cost of living an additional 2.3 per cent. This program will mean lower prices to American housewives on apples, oranges, onions, potatoes, lard, vegetable oils, and peanut butter. Work will soon be completed on an over-all vegetable program which will bring the cost of practically all fresh vegetables well below the levels which American families were asked to pay during the fall of 1942 and the winter and spring of 1943." Mr. Bowles expressed confidence in the agency's ability to carry out the requirements of the Economic Stabilization Act of October 2, 1942, which called for stabilization of the cost of living at, or very close to, the levels of September 15, 1942. In "holding the line," Mr. Bowles stated that OPA faced a two-fold problem:

"The first is the vigorous control of prices, which is essential to the whole battle against inflation and to the fight for a stable economy in the years following the war. The second is the full production of industrial and farm products, which is equally essential for the all-out prosecution of the war and for the welfare of our people.

"These two objectives can be reconciled only through the skillful use of production bonus payments or subsidies, which will allow the OPA to hold the cost of living at its present levels and still encourage full farm and industrial production."

In the matter of the simplification of price control regulations, Mr. Bowles' report stated that all those now in force are being reviewed and in every case where clarification or simplification is possible, this will be done.

In the section of the report devoted to the program on price compliance, Mr. Bowles said, "the Price Department will continue to promote the price panel program as a means of keeping the retail merchant informed of his responsibilities. These local citizen committees have increased from 986 on April 30 until today there are more than 5,286 such price panels attached to local war price and rationing boards throughout the country. The number of price panel members and assistants has increased from 4,200 on April 30 to approximately 41,000 today. The instructions which have been issued to the price panels specifically forbid snooping and coercion. Price panel members will not be required to appear as witnesses in any court action."

In discussing his reorganization of the price enforcement program, Mr. Bowles said, "under the new reorganization plan, enforcement will be handled by a separate Enforcement Department under a Deputy Administrator for Enforcement. This department will concentrate its efforts on combating Black Market operations in all parts of the United States and in investigating and prosecuting all cases of violations where the cooperative and educational work of our trade groups and price panels have proved ineffective."

Regarding reorganization of the legal department of OPA, Mr. Bowles' report stated:

"Under a new administrative order, which I am issuing today, the Legal Department, as such, will be eliminated. The General Counsel, Mr. George J. Burke, will assume the position of Legal Advisor to the National Office, responsible for advising the executive staff on legal policies affecting the work of the agency and for the maintenance of high legal standards throughout the entire organization. The Court Review, Research and Opinion Division, which handles litigation in the Emergency Court of Appeals and the Supreme Court, will also be under his immediate supervision.

"Those members of the legal staff who have formerly worked on price problems will become members of the Price Department. They will be subject to the Administrative authority of the Deputy Administrator for Price, who will be finally responsible for regulations which are clearly understandable as well as legally sound.

"The status of the lawyers in the Rationing and Rent Departments will be similar to that of the lawyers in Price. The Deputy Administrators for Rationing and Rent will be fully responsible for all administrative action in their respective departments. This same relationship will extend to all district and regional offices.

"An Administrative Order has now been issued which will decentralize the authority to interpret rationing, price and rent regulations as far as practical to the district offices."

And with reference to rationing, the report stated that "a new, simpler and more decentralized program of food rationing is now in final stages of development. A system of tokens, which will be used as change for food ration stamps, will be put into effect as soon as practicable, probably during the early winter months."

INTERPRETATION BY OPA OF THE TAFT AMENDMENT

(Continued from page 7845)

duction Board, the Food Administration, the Food and Drug Administration, etc.—was to provide them." He also pointed out that the Taft Amendment, in his opinion, meant that the Administrator "would have to use either the specifications or standards already in general use in the industry, or those which were formulated and lawfully required by some other government agency." (See INFORMATION LETTER No. 945, August 7, 1943, p. 7796.)

It will also be recalled that in approving the law, President Roosevelt issued a personal interpretation to the effect that the Taft Amendment should mean that the Administrator had the authority "to standardize a commodity in any case in which this was 'absolutely essential to an effective system of fixing prices.'" (See INFORMATION LETTER No. 944, July 24, 1943, p. 7780.)

In the principal Statement of Considerations accompanying one of the amendments of September 13, 1943, the OPA has set forth its legal interpretation of the Taft Amendment which indicates that it has concluded to follow the Presidential statement. In view of the bearing of this interpretation upon the problems of pricing canned foods (decision on which has still been reserved), this OPA interpretation is set forth below.

"To determine whether and to what extent the price regulations issued by the Office of Price Administration conform to the 'standards' requirement of the Taft Amendment, the Administrator has caused every price regulation to be carefully scrutinized. . . . Appropriate amendments will be issued to those price regulations in which a finding cannot be made of compliance with the 'standards' provisions of the Taft Amendment.

"Since doubts have been expressed as to the exact meaning of the 'standards' provisions, it is appropriate that the Price Administrator state his views as

to their meaning and intent and the basis upon which he has acted in determining whether the price regulations issued by this Office conform to the requirements of the provisions.

"Clause 3 of the Taft Amendment states that 'Nothing in this act shall be construed . . . (3) as authorizing the Administrator to standardize any commodity, unless the Administrator shall determine with respect to such standardization, that no practicable alternative exists for securing effective price control with respect to such commodity.'

"Although as was pointed out by Senator Taft, 'the word "standardization" which went into the amendment was not thought of or debated particularly' (*Congressional Record*, July 6, 1943, at p. 7327), it is clear from the legislative history and context of the clause that to 'standardize' was considered as meaning, broadly, to establish standards or to require conformity to standards.

"Thus, for the purposes of price control, the Administrator 'standardizes' a commodity—that is, establishes standards for it—whenever he bases ceiling prices upon standards or specifications which were not previously established either by general industry usage or by the action of another government agency. The clause recognizes the Administrator's authority to establish standards whenever he determines 'that no practicable alternative exists for securing effective price control with respect to' a commodity.

"The Administrator, however, does not 'standardize' a commodity, merely by basing ceiling prices for it upon standards, when the commodity has already been standardized either by the general and voluntary use of those standards in the industry or by the action of another government agency requiring their use.

"When the Price Administrator requested the relaxation of the prohibition against standardization contained in the War Agencies Appropriation Bill, which unqualifiedly prohibited the Administration from 'requiring . . . standardization,' he accepted this understanding of 'standardize.' He did this explicitly by accompanying the proposal that he retain power to standardize when essential to effective price control with a suggested clarifying provision declaring that 'no order . . . shall be deemed to require standardization' because it fixes maximum prices for different kinds, classes or types of a commodity described in terms of standards or specifications which were 'in substantial use in the . . . industry affected' or were established by another government agency. (For text, see *Congressional Record*, July 6, 1943, at p. 7326.)

"The Administrator's proposal was accepted without change as an amendment to the Commodity Credit Corporation Bill by the Senate Committee on Banking and Currency. Although the Committee amendment was subsequently modified on the floor, nothing in the changes which took place, or in the history of the provision either in the Senate or the House, suggests any other understanding of the basic concept of standardization.

"Clause 4 of the provision states that 'Nothing in this Act shall be construed . . . (4) as authorizing any order of the Administrator fixing maximum prices for different kinds, classes, or types of a commodity which are described in terms of specifications or standards unless such specifications or standards were, prior to such order, in general use in the trade or industry affected, or have previously been promulgated and their use lawfully required by another government agency.'

"This clause had its origin in the provision which the Administrator proposed to append to the clause (now clause 3) giving him power to standardize where essential for effective price control. The purpose of this provision was to make clear that the action it described—the setting of maximum prices on the basis of standards already established—was *not* standardization. In the form proposed by the Administrator the clause was approved by the Senate Banking and Currency Committee in a report submitted by Senator Wagner (for himself and Senator Taft). (*Senate Report* No. 387, 78th Cong., 1st Sess., July 3, 1943.) In this report, the action described in the clause was treated as wholly distinct from standardization. (*Id.* at p. 3.)

"The form of the clause was changed as a result of an amendment offered from the floor by Senator Taft. He stated that the amendment had the approval of the Administrator and presented it as meeting the objections which the Administrator had raised to the proviso in the Appropriation Act which prohibited outright any order 'requiring . . . standardization.' The purpose of the amendment seems to have been to prevent the claim that pricing by reference to types of standards, *other than those specified in the clause*, would not be 'standardizing' and hence would not be subject to the limitations in clause 3. The change in form resulted in forbidding the Administrator to price by standards, when he had not established the standards in the manner permitted by clause 3, unless the standards were of the particular kinds which clause 4 specifies. Had Senator Taft intended to confine the Administrator's power to make use of standards to commodities already standardized, and thus to deny the Administrator's own power to standardize, his amendment would have been a reiteration of the proviso and could not possibly have been supposed to satisfy the objections to that proviso which the Administrator had expressed.

"In explaining the amendment, Senator Taft said: 'The amendment as I now offer it is only slightly different from the committee amendment.' (*Congressional Record*, July 6, 1943, at p. 7327.) In addition to the change already noted, the modified amendment tightened the committee amendment in two other respects. It required that industry standards, if they were to be a basis of action under clause 4, should have been in 'general,' not merely 'substantial,' use, and that standards promulgated by another government agency should be standards which the agency had lawfully required to be used. These three changes were not improperly described as 'slight.' No such description could have been made of a change which deprived the Administrator of any power to establish new standards, however essential to price control, and which, in so doing, invalidated scores of outstanding maximum price regulations.

"The statement of the managers on the part of the House pointed out that the Taft Amendment warranted 'the repeal of the somewhat broader limitations recently included in the National War Agencies Appropriation Act of 1944, to which the Administrator objected.' The characterization of the Taft Amendment as imposing narrower limitations than the appropriation proviso would not be true if clause 4 nullified clause 3.

"Some uncertainty has been expressed as to the meaning of the Taft Amendment because of two statements which appear in the managers' statement.

"1. In describing the effect of clause (4), the managers state: 'But requirements that standards or specifications may be used in manufacturing or selling, or that such standards appear on the invoice, are prohibited' except where the standards meet the conditions specified in clause 4. Read in conjunction with clause 3, this merely emphasizes that clause 4 forbids the Administrator to employ standards in price control when those standards fail to meet the stringent conditions of clause 4 unless he can bring his action within the exception to clause 3 by making a determination that no practicable alternative to standardization exists for securing effective price control.

"2. The managers also state: 'Each of these four limitations [the four clauses] is made separately applicable to the issuance of maximum price regulations.' The purpose of this observation seems to have been to reassure those who, like Senator Vandenberg (see *Congressional Record*, July 6, 1943, at p. 7327), feared that the Administrator might attempt to exercise his power to standardize so as to impair trade and brand names or to reintroduce grade labeling. The statement indicates that compliance with the exception in clause 3 will not justify action in violation of clause 1 or 2 which relate to trade and brand names and grade labeling. It does not indicate that clause 4 defeats clause 3. Clause 4 had its origin in a purpose to indicate actions which *were not subject* to clause 3, and the distinction between the actions subject to each clause was

consistently maintained during the bill's history. It cannot be said that clause 4 governs actions which *are subject* to clause 3 and so limits them as in effect to nullify the power to standardize which the exception in clause 3 permits.

"As a result of this analysis of the language of the Taft Amendment and its legislative history, the Administrator has reached the conclusion that he may properly issue price regulations in which prices are based on or calculated by reference to standards or specifications only if one of the following conditions is met:

"1. The standards or specifications were, prior to their use in the regulation, in general use in the industry.

"2. The use of the standards or specifications was, prior to their use in the regulation, lawfully required by another government agency.

"3. The Administrator has determined that no practicable alternative to using the standards or specifications exists for securing effective price control.

"This conclusion accords with the President's understanding of the meaning of the Taft Amendment, as stated by the President when he signed the Commodity Credit Corporation bill. The President stated that a construction which would prohibit 'the Administration from making use of standards in any case regardless of how essential they were to price control unless such standards had been previously established by industry acceptance or trade acceptance' would 'cripple price control.' The President declared that he signed the bill with the understanding that the Taft Amendment 'preserved power in the Administrator to "standardize" a commodity in any case on which this was absolutely essential to an effective system of fixing prices'."

Seasonal Availability of Fresh Fruit and Vegetable Supplies

A 16-page booklet has just been issued by the Food Distribution Administration of the War Food Administration, presenting in map and tabular form the normal seasonal availability of fresh fruit and vegetable supplies. Tables indicate seasonal availability of specific commodities for the entire country, as well as the situation as to regional supplies, i.e., the period when home-grown; peak of the season; periods when the product is shipped in from areas outside the specific region; and the shipped-in peak.

A series of maps shows the principal areas for the production of fruits and vegetables for fresh use, canning, freezing, drying, and other processing purposes. Copies may be obtained from the Marketing Reports Division, Food Distribution Administration, Washington 25, D. C.

OPA DIRECTED TO ENFORCE GRADE LABELING OF MEATS

Designated by OES as Logical Agency To Supervise Regulation 1

The Office of Economic Stabilization, on September 14, authorized and directed the Office of Price Administration to enforce OES Regulation No. 1, providing for the grading and grade labeling of meats.

Under the terms of Regulation No. 1, OES requires that all beef, veal, lamb and mutton be graded by Federal graders according to the uniform grades promulgated by the Department of Agriculture, and that the grade be marked on the cut. In its price regulations; OPA sets ceilings for these meats at various sales levels according to these grades. The OES meat grading and labeling regulation continued in effect the system, initially set up by OPA regulation. Prior to issuance of the OES regulation, continuation of meat grading and labeling had been urged by the War Meat Board representing the meat industry, it was stated.

Inasmuch as OPA sets meat prices according to the OES grading requirements, OES stated that the OPA administrative and field staff represented the logical agency to enforce the provisions of Regulation No. 1. In ordering OPA to act for it, OES said that the power to enforce the regulation "shall include, but shall not be limited to, the power to make such surveys and investigations, to issue such interpretations, and to bring such actions and proceedings as the Price Administrator may deem to be necessary or desirable to effectuate the purposes thereof." Any criminal prosecutions for violation of the meat grading and labeling regulation, will, of course, be conducted by the Department of Justice.

"The power to enforce," OES added, "shall not, however, include the power to change, amend, or rescind" the provisions of OES Regulation No. 1. The regulation also provided that this power shall not include any authority to issue regulations requiring grade labeling of any commodity.

The OES order further provides that "The Price Administrator may perform the functions and duties, and exercise the power, authority and discretion conferred upon him by this order, through such officials, including part-time and uncompensated special agents, and in such manner, as he may determine."

In delegating the administration and enforcement of Regulation No. 1 to OPA, OES acted under authority of the President's Executive Order No. 9250 of October 3, 1942, and No. 9328 of April 8, 1943.

Burlap Restrictions Eased

As a result of improving burlap supply prospects, the War Production Board, on September 13, partially relaxed certain restrictions on the use and purchase of burlap bags. This was accomplished by an amendment of WPB Conservation Order M-221.

The amendment removes quotas on farmers' and packers' purchases of new burlap bags for packing certain agricultural products during the balance of 1943. Previously, purchases were restricted by quotas of from 50 to 100 per cent of 1941 acceptances.

In addition, the amendment relaxes the prohibition against selling any used raw-sugar bags except for further re-use in packing sugar. The prohibition now applies only to No. 1 burlap bags, as defined in the order.

The restriction on the bag sizes permitted for certain commodities has been expanded to allow a ½-bushel size for hybrid seed corn.

New Association Members

The following firms have been admitted to membership in the Association since August 14, 1943:

M. L. Brown & Sons, West Springfield, Mass.

Elmer Candy Co., Inc., New Orleans, La.

Oscar Nicholson, Seattle, Wash.

North American Canning Co., Dania, Fla.

Northern Commercial Co., Seattle, Wash.

San Carlos Canning Co., Monterey, Calif.

Verona Canning Co., Verona, Mo.

Price Rise Notices Required Of Bean, Macaroni Processors

An amendment requiring processors, primary distributors and wagon wholesalers of processed beans, macaroni products and noodle products to give wholesalers and retailers formal notification of allowed increases in their maximum selling prices was issued September 14 by the Office of Price Administration.

This step was taken, through Amendment No. 1 to Maximum Price Regulation No. 427 (Processed Beans, Macaroni Products and Noodle Products), because the fixed mark-up regulations governing wholesalers and retailers require formal notification of any increases allowed by OPA before they can recalculate their own maximums. Amendment No. 1 became effective September 18, 1943.

MPR NO. 306 IS AMENDED

(Concluded from page 7845)

3. Section 1341.568 is added to read as follows:

Sec. 1341.568 (a) *Discounts and allowances.* Except on sales to government procurement agencies, sellers of items covered by this regulation for which specific dollars-and-cents maximum prices are named, or whose ceilings are determined by taking a percentage of a specific dollars-and-cents maximum price or who compute their ceiling price for an item under section 1341.557, using as a base a flat dollars-and-cents maximum price, shall reduce such maximum price by the percentage of discount for prompt payment and the percentage of swell allowance customarily granted by them to each class of purchaser of such items.

(b) Except on sales to government procurement agencies, maximum prices established by this regulation which are determined in any manner other than those outlined in the preceding paragraph shall be reduced by the discounts and allowances customarily granted by the seller to each purchaser or class of purchasers of such items.

4. Section 1341.586(a) is amended in the following respects:

a. In the table under (1) thereof Idaho is added in its alphabetical order to the list of States in Region III.

b. In the table under (2) thereof Idaho is added in its alphabetical order to the list of States in Region IV.

c. In the table under (3) thereof Idaho is added in its alphabetical order to the list of States in Region II.

d. In the table under (4) thereof Idaho is added in its alphabetical order to the list of States in Region V.

5. Section 1341.586 (b) is amended in the following respects:

a. In the table under (1) thereof, *Spinach, Mustard Greens and Turnip Greens,* Idaho is added in its alphabetical order.

b. In the table under (2) thereof, *Asparagus,* Idaho is added in its alphabetical order to the group of States beginning with Colorado and ending with Wisconsin.

c. In the table under (3) thereof, *Red Sour Cherries,* Idaho is added in its alphabetical order to the list of States.

6. Section 1341.586 (c) is amended in the following respects:

a. In the table under (1) thereof, *Tomato Juice,* Idaho is added in its alphabetical order to the list of States which begins with California and ends with Washington.

b. In the table under (2) thereof Idaho is added in its alphabetical order to the list of States which begins with California and ends with Washington.

c. In the list of States under (4) thereof, Idaho is added in its alphabetical order.

7. Section 1341.586 (d) is amended in the following respects:

a. Idaho is added in its alphabetical order to the list of States under (1), (2) and (3).

8. Section 1341.584 (e) (1) is amended to read as follows:

(1) Maximum prices per dozen containers, f.o.b. factory, for sales other than to government procurement agencies for all spinach shall be as follows:

Col. 1	Col. 2	Col. 3	Col. 4		
Item No.	Grade	State or Area	Container		
			No. 2 can	*No. 2½ can*	*No. 10 can*
1	A or Fancy	All	$1.175	$1.475	$5.15
2	C or Standard	All	1.075	1.35	4.75
3	Below Standard	All	.925	1.16	4.10

(2) (i) Maximum prices per dozen cans, f.o.b. factory, for sales to government procurement agencies for spinach packed in the State of Maryland only before September 17, 1943, shall be as follows:

Col. 1	Col. 2	Col. 3		
Item No.	Grade	Container size		
		No. 2 can	*No. 2½ can*	*No. 10 can*
1	A or Fancy	$1.38	$1.79	$6.24
2	C or Standard	1.28	1.67	5.86
3	Below Standard	1.14	1.47	5.25

(ii) The maximum prices per dozen containers, f.o.b. factory, for sales to government procurement agencies, except for sales of spinach packed in the State of Maryland only before September 17, 1943, shall be 96 per cent of the maximum prices for sales other than to government procurement agencies as set forth in paragraph (1) of this section.

This amendment shall become effective September 17, 1943.